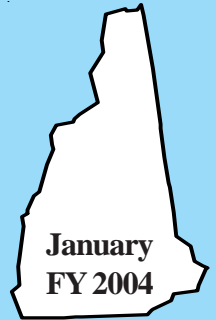


State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Commissioner Donald S. Hill



Monthly Revenue Summary

	<u>FY 04</u>	<u>FY 03</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 95.4	\$ 109.6	\$ (14.2)
Highway	\$ 15.9	\$ 18.1	\$ (2.2)
Fish & Game	\$.2	\$.3	\$ (.1)

Current Month Analysis

General & Education Funds	<u>FY04</u> <u>Actuals</u>	<u>FY04</u> <u>Plan</u>	<u>Actual</u> <u>vs. Plan</u>
Business Profits Tax	\$ 1.2	\$ 3.5	\$ (2.3)
Business Enterprise Tax	8.7	8.3	0.4
Subtotal	9.9	11.8	(1.9)
Meals & Rooms Tax	13.7	14.2	(0.5)
Tobacco Tax	7.3	7.6	(0.3)
Liquor Sales and Distribution	8.1	8.0	0.1
Interest & Dividends Tax	8.4	10.3	(1.9)
Insurance Tax	1.5	2.0	(0.5)
Communications Tax	5.3	5.5	(0.2)
Real Estate Transfer Tax	12.0	10.4	1.6
Estate & Legacy Tax	(0.1)	1.8	(1.9)
Court Fines & Fees	1.8	2.0	(0.2)
Securities Revenue	6.9	6.8	0.1
Utility Tax	0.3	0.5	(0.2)
Board & Care Revenue	0.9	0.6	0.3
Beer Tax	1.1	1.1	-
Racing Revenue	0.3	0.3	-
Flexible Grant	-	-	-
Other	5.0	8.3	(3.3)
Transfers from Sweepstakes	6.4	5.8	0.6
Tobacco Settlement	-	-	-
Utility Property Tax	4.4	-	4.4
Property Tax Not Retained Locally	-	-	-
Property Tax Retained Locally	-	-	-
Subtotal	93.2	97.0	(3.8)
Net Medicaid Enhancement Rev	0.2	0.1	0.1
Recoveries	2.0	1.1	0.9
Subtotal	95.4	98.2	(2.8)
Other Medicaid Enhancement Rev to Fund Net Appropriations	-	-	-
Total	\$ 95.4	\$ 98.2	\$ (2.8)

Unrestricted revenue for the General and Education Funds for January totaled \$95.4 million, which was below plan by \$2.8 million and below prior year by \$14.2 million. Revenue collected year-to-date totaled \$886.4 million, which was below plan by \$15.5 million but above prior year by \$47.8 million. Business taxes and Interest and Dividends taxes continue to track behind plan this year, with a combined year-to-date shortfall of \$11.3 million. This shortfall has been partially offset by the strong performance from the real estate transfer tax, which has come in \$9.4 million ahead of plan year-to-date.

Business taxes (BPT & BET) for January totaled \$9.9 million, which was below both plan and prior year by \$1.9 and \$1.6 million, respectively. Year-to-date revenue from business taxes of \$178.4 million was below plan by \$6.3 million. The next major collection months are March and April when 35% of yearly business taxes are collected. (See chart on page 2).

Interest and Dividends Tax continued its weak performance with monthly collections totaling \$8.4 million, which fell short of plan and prior year by \$1.9 million and \$2.2 million, respectively. On a year-to-date basis I&D is 18.8% below plan and 17.6% below prior year. April is when the bulk of the tax is paid since taxpayers file their annual returns and 1st quarter estimates for the next year.

Once again, the **Real Estate Transfer Tax** performed strongly and totaled \$12.0 million for the month, which exceeded plan by \$1.6 million. Year-to-date, the Real Estate Transfer Tax is performing 12.2% ahead of plan and 9.5% ahead of prior year.

Timing differences with the plan for January include:

Other Revenue was \$3.3 million below plan. An escheatment, estimated at \$2.4 million, did not take place during the month of January, as was anticipated in the plan, but will take place later in the year.

Utility Property Tax exceeded plan this month by \$4.4 million, due to the timing of billing Utility customers. The plan anticipated these receipts in December, however, due to the complexity associated with calculating Utility assessments, this year's bills were sent out later than usual.

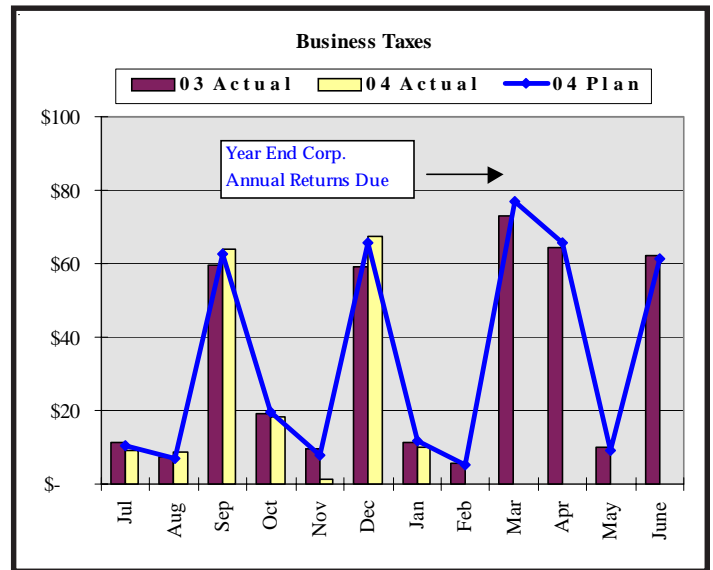
Beginning in 2004, per the terms of the nationwide **Tobacco Settlement**, the State will no longer receive an Initial Payment of Tobacco Settlement funds in the month of January but will receive the entire annual payment, estimated at \$39.6 million, in April. When the monthly allocation of the 2004 plan was published in August, an amount of \$12.0 million was estimated for the month of January, consistent with prior years. Upon further review, it was determined that the plan should be adjusted for this timing difference and the monthly allocation of the plan has been restated to include the full \$39.6 million estimate in April. The revised plan can be viewed at our website.

During the month, in accordance with RSA 9:5 II, the Department issued the **Unrestricted Revenue Financial Review for the 2004-2005 Biennium**. The report highlights the revenue performance for the six months ended December 31, 2003 and also provides for an updated estimate of the state's unrestricted revenues, for the 2004-2005 biennium. The report also contains a history of the major taxes, current rates, when the collections are due, and individual charts depicting the monthly flow for those major revenue categories. The report can be viewed on our web site at <http://admin.state.nh.us/accounting/>

All funds reported in Millions and on a Cash Basis

YTD Revenue Summary

	<u>FY 04</u>	<u>FY 03</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 886.4	\$ 838.6	\$ 47.8
Highway	\$ 133.5	\$ 128.8	\$ 4.7
Fish & Game	\$ 4.7	\$ 4.4	\$.3



General & Education Funds Comparison to FY 03

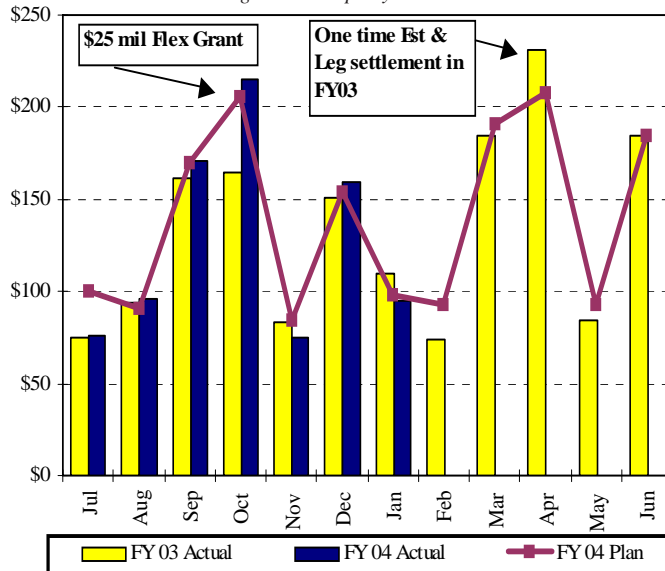
General & Education Funds	<u>Monthly</u>			<u>Year-to-Date</u>			<u>%</u>
	<u>FY04</u> <u>Actuals</u>	<u>FY03</u> <u>Actuals</u>	<u>Inc/(Dec)</u>	<u>FY04</u> <u>Actuals</u>	<u>FY03</u> <u>Actuals</u>	<u>Inc/(Dec)</u>	
Business Profits Tax	\$ 1.2	\$ 2.0	\$ (0.8)	\$ 67.1	\$ 68.6	\$ (1.5)	-2.2%
Business Enterprise Tax	8.7	9.5	(0.8)	111.3	109.1	2.2	2.0%
Subtotal	9.9	11.5	(1.6)	178.4	177.7	0.7	0.4%
Meals & Rooms Tax	13.7	13.5	0.2	116.2	111.8	4.4	3.9%
Tobacco Tax	7.3	6.6	0.7	59.1	55.4	3.7	6.7%
Liquor Sales and Distribution	8.1	7.6	0.5	67.2	62.8	4.4	7.0%
Interest & Dividends Tax	8.4	10.6	(2.2)	21.6	26.2	(4.6)	-17.6%
Insurance Tax	1.5	1.5	-	39.0	36.9	2.1	5.7%
Communications Tax	5.3	4.9	0.4	37.8	36.5	1.3	3.6%
Real Estate Transfer Tax	12.0	9.4	2.6	86.4	78.9	7.5	9.5%
Estate & Legacy Tax	(0.1)	4.5	(4.6)	12.3	33.0	(20.7)	-62.7%
Court Fines & Fees	1.8	1.8	(0.0)	15.7	16.0	(0.3)	-1.9%
Securities Revenue	6.9	6.9	-	8.9	9.0	(0.1)	-1.1%
Utility Tax	0.3	0.5	(0.2)	3.6	3.5	0.1	2.9%
Board & Care Revenue	0.9	0.5	0.4	6.8	5.2	1.6	30.8%
Beer Tax	1.1	1.0	0.1	7.8	7.7	0.1	1.3%
Racing Revenue	0.3	0.4	(0.1)	2.3	2.5	(0.2)	-8.0%
Flexible Grant	-	-	-	25.0	-	25.0	100.0%
Other	5.0	6.2	(1.2)	27.7	30.1	(2.4)	-8.0%
Transfers from Sweepstakes	6.4	9.3	(2.9)	37.8	33.6	4.2	12.5%
Tobacco Settlement	-	11.2	(11.2)	0.4	11.2	(10.8)	100.0%
Utility Property Tax	4.4	1.5	2.9	11.8	9.4	2.4	25.5%
Property Tax Not Retained Locally	-	0.2	(0.2)	-	0.2	(0.2)	-100.0%
Property Tax Retained Locally	-	-	-	-	-	-	-
Subtotal	93.2	109.6	(16.4)	765.8	747.6	18.2	2.4%
Net Medicaid Enhancement Rev	0.2	-	0.2	104.9	84.3	20.6	24.4%
Recoveries	2.0	-	2.0	7.5	-	7.5	100.0%
Subtotal	95.4	109.6	(14.2)	878.2	831.9	46.3	5.6%
Other Medicaid Enhancement Rev to Fund Net Appropriations	-	-	-	8.2	6.7	1.5	22.4%
Total	\$ 95.4	\$ 109.6	\$ (14.2)	\$ 886.4	\$ 838.6	\$ 47.8	5.7%

Year-to-Date Analysis

General & Education Funds	General		Education		Total		
	Actual	Plan	Actual	Plan	Actual	Plan	Actual vs. Plan
Business Profits Tax	\$ 46.9	\$ 76.0	\$ 20.2	\$ 20.2	\$ 67.1	\$ 96.2	\$ (29.1)
Business Enterprise Tax	52.9	30.1	58.4	58.4	111.3	88.5	22.8
Subtotal	99.8	106.1	78.6	78.6	178.4	184.7	(6.3)
Meals & Rooms Tax	111.6	111.6	4.6	4.3	116.2	115.9	0.3
Tobacco Tax	41.5	41.0	17.6	16.7	59.1	57.7	1.4
Liquor Sales and Distribution	67.2	67.0	-	-	67.2	67.0	.2
Interest & Dividends Tax	21.6	26.6	-	-	21.6	26.6	(5.0)
Insurance Tax	39.0	37.9	-	-	39.0	37.9	1.1
Communications Tax	37.8	38.8	-	-	37.8	38.8	(1.0)
Real Estate Transfer Tax	57.6	51.2	28.8	25.8	86.4	77.0	9.4
Estate & Legacy Tax	12.3	14.4	-	-	12.3	14.4	(2.1)
Court Fines & Fees	15.7	16.3	-	-	15.7	16.3	(0.6)
Securities Revenue	8.9	9.5	-	-	8.9	9.5	(0.6)
Utility Tax	3.6	3.6	-	-	3.6	3.6	-
Board & Care Revenue	6.8	5.5	-	-	6.8	5.5	1.3
Beer Tax	7.8	8.0	-	-	7.8	8.0	(0.2)
Racing Revenue	2.3	2.1	-	-	2.3	2.1	0.2
Flexible Grant	25.0	50.0	-	-	25.0	50.0	(25.0)
Other	27.7	29.7	-	-	27.7	29.7	(2.0)
Transfers from Sweepstakes	-	-	37.8	34.8	37.8	34.8	3.0
Tobacco Settlement	-	-	0.4	-	0.4	-	0.4
Utility Property Tax	-	-	11.8	9.6	11.8	9.6	2.2
Property Tax Not Retained Locally	-	-	-	-	-	-	-
Property Tax Retained Locally	-	-	-	-	-	-	-
Subtotal	586.2	619.3	179.6	169.8	765.8	789.1	(23.3)
Net Medicaid Enhancement Rev	104.9	97.2	-	-	104.9	97.2	7.7
Recoveries	7.5	7.4	-	-	7.5	7.4	0.1
Subtotal	698.6	723.9	179.6	169.8	878.2	893.7	(15.5)
Other Medicaid Enhancement Rev to Fund Net Appropriations	8.2	8.2	-	-	8.2	8.2	-
Total	\$ 706.8	\$ 732.1	\$ 179.6	\$ 169.8	\$ 886.4	\$ 901.9	\$ (15.5)

Monthly Unrestricted Revenue

Excluding State Property Tax-Local



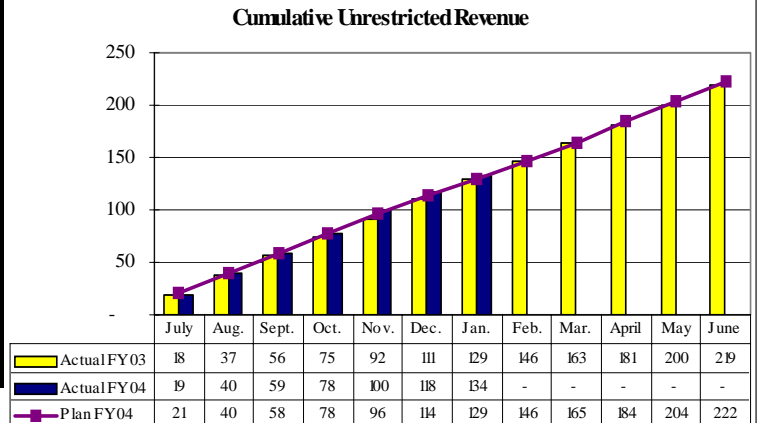
Education Trust Fund Statement of Activity - FY 2004 July 1, 2003 to January 31, 2004

Description	In Millions
Beginning Balance	\$ 8.0
Unrestricted Revenue - See above	179.6
Transfers from General Fund Appropriations	38.8
Expenditures	
Education Grants & Adm Costs	(323.5)
Ending Balance	\$ (97.1)

Year-to-Date Analysis

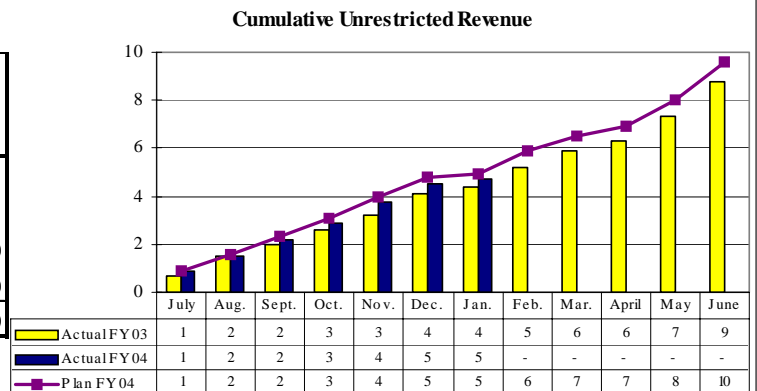
Highway Fund

Revenue Category	FY 04 Actuals	FY 04 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 77.2	\$ 73.3	\$ 3.9
Miscellaneous	4.4	3.2	1.2
Motor Vehicle Fees			
MV Registrations	37.4	37.7	(0.3)
MV Operators	7.0	8.7	(1.7)
Inspection Station Fees	2.1	1.7	0.4
MV Miscellaneous Fees	2.2	2.9	(0.7)
Certificate of Title	3.2	1.8	1.4
Total Fees	51.9	52.8	(0.9)
Total	\$ 133.5	\$ 129.3	\$ 4.2



Fish & Game Fund

Revenue Category	FY 04 Actuals	FY 04 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 4.2	\$ 4.1	\$ 0.1
Fines and Penalties	.1	.1	-
Miscellaneous Sales	.1	.3	(0.2)
Federal Recoveries Indirect Costs	.3	.4	(0.1)
Total	\$ 4.7	\$ 4.9	\$ (0.2)



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